

Message Text

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ACTION EUR-12

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TO USDOC WASHDC
INFO SECSTATE WASHDC 9417
AMCONSUL GOTEBOG UNN

UNCLAS STOCKHOLM 7074

E.O. 11652: N/A
TAGS: BEXP, SW
SUBJECT: STC OPERATIONS MARKET RESEARCH : MARINE EQUIPMENT

1. SWEDISH MARKET SIZE FOR MARINE EQUIPMENT; PRODUCTION,
IMPORTS AND US SHARE, EXPORTS AND APPARENT CONSUMPTION IN
MILLIONS OF DOLLARS:

	1973	1974	1975
MARINE ELECTRONICS AND NAVIGATION AIDS			
P	44.4	51.7	NA
M	9.8 (US 33 PERCENT)	11.8 (US 36 PERCENT)	12.4 (US 20 PERCENT)
X	4.3	8.8	14.3
C	49.9	54.7	60.6 (EST)
OTHER MARINE EQUIPMENT			
P	177.1	208.1	NA
M	46.0 (US 9 PERCENT)	67.4 (US 10 PERCENT)	82.4 (US 11 PERCENT)
X	101.2	107.5	128.0
C	121.8	168.0	216.0 (EST)
TOTAL			
P	221.5	259.8	NA
M	55.8(US 14 PERCENT)	79.2 (US 14 PERCENT)	94.8 (US 12 PERCENT)
)			
X	105.8	116.3	142.3
C	171.7	222.7	276.0 (EST.)

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2. EXPECTED IMPORTS FROM US (TABLE 5):
1976, \$13.7 (13 PERCENT);
1977, \$13.7 (13 PERCENT);
1978, \$14.7 (14 PERCENT);
1979, \$16.6 (14 PERCENT);

1980, \$18.7 (14 PERCENT).

3. BEST SALES PROSPECTS: OUTBOARD ENGINES, MARINE DIESEL ENGINES, RADIO TRANSMITTERS, SONAR EQUIPMENT.

4. SWEDISH MARINE EQUIPMENT MARKET IS NOT VIGOROUS CURRENTLY. SHIPBUILDING INDUSTRY IS STRUGGLING AND REORGANIZING DUE TO LOW EBB OF WORLD DEMAND, ESPECIALLY FOR OIL TANKERS. CONSUMER BOATING MARKET, IN CONTRAST, HAS HAD SPECTACULAR GROWTH DURING LAST TEN YEARS; ALTHOUGH GROWTH NOW TAPERING OFF (LITTLE INCREASE SEEN IN 1977) DUE TO TIGHTER RESTRICTIONS ON CREDIT AND GENERAL ECONOMIC CONDITIONS, THIS IS STILL AN ATTRACTIVE MARKET. (FYI - SWEDEN HAS HIGHEST PER CAPITA OWNERSHIP OF BOATS IN WORLD; GOOD BOATS ARE SEEN AS GOOD INVESTMENTS IN ADDITION TO RECREATIONAL VALUE).

5. OUTLOOK FOR US EQUIPMENT SALES IS STEADY. SWEDISH MARKET FOR THIS EQUIPMENT IS CONSIDERED PRICE CONSCIOUS, THUS BRITISH EQUIPMENT CURRENTLY INCREASING MARKET SHARE. 75 PERCENT OF MATERIALS AND COMPONENTS FOR SWEDISH SHIPBUILDING ARE PRODUCED LOCALLY; MAJOR IMPORTS SUPPLIERS ARE NORWAY, DENMARK, BRITAIN AND WEST GERMANY. IN GENERAL, THERE IS LOW AWARENESS OF US MARINE PRODUCTS AND MARKETING OF THOSE REPRESENTED HAS NOT BEEN AGGRESSIVE. THERE IS NOT NOW A GENERAL AWARENESS OF US TECHNICAL OR QUALITY SUPERIORITY EXCEPT FOR PLEASURE BOAT ENGINES.

6. RESEARCH CONCLUDES THAT ANY EXHIBITION OF US MARINE EQUIPMENT SHOULD BE CONSUMER ORIENTED AND PREFERABLY AS UNCLASSIFIED

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OFFSITE IN EITHER GOTEBOG (FEBR 3-12, 1978) OR STOCKHOLM FEBR/MAR) ANNUAL BOAT SHOW. BOATS WITH STRONG AMERICAN IDENTITY AND US ENGINES, AND BOAT COMPONENTS, WOULD BE MOST SUITABLE TO EXHIBIT. 1979 NOR-SHIPING EXHIBITION IN OSLO SHOULD ALSO BE CONSIDERED FOR OFFSITE.

7. POST CONCURS WITH RESEARCH CONTRACTOR'S MAJOR CONCLUSIONS. IT IS OF DEFINITE SIGNIFICANCE THAT HE FINDS LOW MARKET AWARENESS OF US PRODUCTS. STC BELIEVES PROMOTIONS OF THE MOST ATTRACTIVE PRODUCTS SHOULD BE CONSIDERED. SPECIFICALLY, AN OFFSITE IN FY-78 SHOULD BE CONSIDERED, BUT STC PROMOTION OF INNOVATIVE AND QUALITY PRODUCTS SHOULD ALSO BE CONSIDERED AT A TIME NOT CONFLICTING WITH FEBRUARY/MARCH COMMERCIAL FAIRS. SMITH

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Draft Date: 29 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
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